

June 18, 2002

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**PROPOSITION 218 ASSESSMENT BALLOTS—CITY OF LA CANADA FLINTRIDGE
ASSESSMENT DISTRICT NO. 02-1 (SANITARY SEWER PROJECT NO. 2)
(FIFTH) (3 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Support the assessment on County-owned property within the boundaries of the City of La Canada Flintridge Assessment District No. 02-1 (Sanitary Sewer Project No. 2) for the construction of a sewer collection system and connection fees to serve the properties within the assessment district at a one-time cost to the County of \$138,655, and an annual assessment not to exceed \$30 per year for administrative expenses; and direct the Chief Administrative Officer (CAO) to cast the ballot in support of the assessment for the property.
2. Authorize the Public Library and CAO to work with the City of La Canada Flintridge to arrange for connection of the sewer system to the Library structure and to fill in the existing septic tank, and to pay for this additional work either directly or through the City to achieve the lowest possible cost to the County, not to exceed \$10,000.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

As a result of the passage of Proposition 218, property owned by government agencies, including Los Angeles County, became subject to assessment by various County and non-County assessment districts on July 1, 1997. The County, like other property owners, is able to cast ballots supporting or opposing the assessments and its ballots will be weighted to reflect its proportionate share of the total assessment.

The Honorable Board of Supervisors
June 18, 2001
Page 2

One such district, which is in the process of seeking property owner approval, is an assessment district in the City of La Canada Flintridge, identified as City of La Canada Flintridge Assessment District No. 02-1 (Sanitary Sewer Project No. 2). Since the County owns property within the boundaries of this district, it has the right to participate in the balloting on the assessment. This is a City of La Canada Flintridge assessment district and the public hearing on the proposed assessment is scheduled for June 24, 2002.

The County property which this ballot represents contains one parcel, identified as Assessor's Parcel Number 5815-014-903 and occupied by the County's La Canada Flintridge Library. The City adopted a resolution in support of the construction of sewers in the city and of formation of the assessment district on May 6, 2002. The Public Library has determined that the services to be financed by the assessment district will be of sufficient benefit to warrant the Board's support. Accordingly, we are recommending that your ballot be completed as supporting the assessment.

In order to be approved under Proposition 218, the majority of property owners who return their ballots will have to approve the proposed assessments with their ballots being weighted according to their individual assessments based on the size, location, type of improvements, and benefits received by the property.

The proposed district's total assessment amount of \$19,505,836 is for the construction of a sewer collection system and the payment of connection fees necessary to acquire sewer treatment system capacity at the La Canada Flintridge Water Reclamation Plant to serve the properties within the assessment district. The one-time cost to the County in FY 2002-03 is a lump-sum payment of \$138,655. The County Sanitation District has agreed to waive the sewer connection fee for the library.

In addition, there will be an annual assessment not to exceed \$30 per parcel for unreimbursed administrative expenses related to the administration and collection of the assessments and/or administration or registration of any bonds and reserve or other related funds.

The Honorable Board of Supervisors
June 18, 2001
Page 3

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The Countywide Strategic Plan directs that we invest in public infrastructure, in order to strengthen the County's fiscal capacity. Support for the benefit assessments levied against the County property to correct deficiencies in the sewage system and eliminate potential sewage overflows, gray water discharges and other potential health risks associated with on-site septic systems fills an identified need and supports this strategy by complying with the Strategic Asset Management Principles (Goal 4, Strategy 4, Objective 2).

FISCAL IMPACT/FINANCING

The total assessment to be levied in 2002-03 on the subject County property occupied by the Public Library is a one-time assessment of \$138,655, plus an annual assessment not to exceed \$30 per parcel for unreimbursed administrative expenses. The annual assessment may be adjusted for any increases in the Consumer Price Index, normal Southern California Edison Company energy increases, or by a re-balloting of property owners.

We propose to charge the assessment to the Library, which is the benefiting department occupying the assessed parcel. Based on your Board's approval of other Proposition 218 assessments, this is in keeping with the current policy and practice of charging such assessments to the County departments occupying or deriving use from the assessed property.

In consideration of the urgent need for the installation of a sewer collection system, and in order to realize the savings available through the discounted lump sum payment and avoidance of interest, the Library has requested financial assistance from the Fifth Supervisorial District, and the Fifth District has agreed to fund the one-time assessment out of the Extraordinary Maintenance Fund.

The Honorable Board of Supervisors
June 18, 2001
Page 4

There will be an additional fee to connect the sewer from the street to the Library building, and for filling in the existing septic tank which will be abandoned after the sewer is in operation. We are working with the city's consultant to arrange for this work at the lowest possible cost, which we anticipate will cost in the range of \$5,000 to \$10,000. This fee can be covered from the Library's operating budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Proposition 218, approved by the voters in November 1996, requires public agencies to send ballots to all affected property owners prior to increasing or imposing a new assessment. The agency cannot increase an assessment or impose a new assessment if a majority of the ballots returned oppose the proposed assessment. The ballots are weighted according to the proposed assessment amount of the properties. In addition, publicly owned properties will no longer be exempt from the assessment unless the parcels receive no special benefit.

The method of assessment for this assessment district is determined by analysis of the special benefit a property receives, i.e. the availability of the collection system to convey the effluent from each property to the treatment facility. Expected sewage generation, based on standard practice of the sanitary engineering profession, is used in sizing the collection system. Therefore, the costs of the sewer system will be apportioned to the various land uses based on the average daily sewage flow requirements for each land use as established by the County Sanitation District of Los Angeles County.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of this benefit assessment will make it possible to correct deficiencies in the sewage disposal system and eliminate potential sewage overflows, gray water discharges, and other potential health risks associated with on-site septic systems within the assessment district.

The Honorable Board of Supervisors
June 18, 2001
Page 5

CONCLUSION

It is requested that the Executive Officer, Board of Supervisors, return the adopted stamped Board letter to the CAO, Real Estate Division, 222 South Hill Street, 4th Floor, Los Angeles, CA 90012.

Respectfully submitted,

DAVID E. JANSSEN
Chief Administrative Officer

DEJ:SNY
WLD:RC:jf

Attachment

c: County Counsel
Auditor-Controller
Public Library